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ADM-6.1

ORD 1083-64

2 June 1964

MEMORANDUM FOR THE RECORD

SUBJECT: Meeting on CPIF Contracting, 27 May 1964

Attendees:

Robert M. Chapman

25X1A9a



25X1A9a

1. The meeting was arranged by [redacted] to discuss ORD objections to CPIF contracts on research projects and to clarify an understanding in ORD that research contracts would not be placed on a CPIF basis. [redacted] stated that he at no time had agreed that incentive contracting would not apply to ORD projects and that the negotiators had been instructed to attempt to place all contracts on an incentive basis.

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This is just wrong. Bel

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2. It was explained to [redacted] that, while this office agrees in principle with the idea of incentive contracting, the majority of our programs do not fall into the categories which can be placed on incentive contracts. Nearly all projects handled by ORD are of a basic or advanced research nature wherein the final outcome is unknown and no accurate estimate of costs can be made.

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3. [redacted] described briefly the cost incentive type contracts as apposed to CPFF and the applicability of CPIF to research contracts. The need for better communication between the contract and technical people was also brought out.

I know it in but I don't think this would be the time to raise the issue. Next time we'll take it up.

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4. For the immediate future, ORD proposed a paragraph be included in the memoranda to Logistics recommending that the contracts, where applicable, be placed on a CPFF or fixed price/level-of-effort basis and giving a brief justification for the recommendation. Procurement will then give consideration to such a request. 25X1A9a

5. Arrangements will be made for a future briefing of ORD personnel by [REDACTED] on incentive contracting.

[REDACTED]

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Administrative Officer,
ORD/DD/S&T

Distribution:

Original - ORD/File

1 - [REDACTED] 25X1A9a
1 - [REDACTED]
1 - Mr. Chapman
1 - [REDACTED] 25X1A9a
1 - [REDACTED]
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